GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1186
ANSWERED ON:01.08.2005
FERTILIZERS AND CHEMICALS TRAVANCORE LTD. , KERALA
Thomas Shri P.C.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of the pending proposals of Fertilizers and Chemicals Travancore (FACT) Limited, Kerala;

(b) the present states thereof;

(c) whether the Government has received new proposals from FACT for restructuring;

(d) if so, the details thereof and;

(e) the reaction of the Government thereto?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) : The proposals for its financial restructuring have been received from Fertilizers and Chemicals Travancore Ltd. (FACT).

(b) : The proposals have been submitted for consideration of the Board for Reconstruction of Public Sector Enterprises.

(c) : Yes, Sir.

(d) : The following new proposals for restructuring have been received from FACT:

(i) Write off of interest of Rs. 34.80 crore along with interest accrued but not due of Rs. 1.93 crore for the year 2003-04. Consequently any penal interest also to be written off.

(ii) Write off of interest for the year 2004-05 amounting to Rs. 46.26 crore alongwith any further penal interest.

(iii) Conversion of 50% of the outstanding GOI loan of Rs. 574.46 crore amounting to Rs. 287.23 crore into equity capital and writing off the balance 50% GOI loan amounting to Rs. 287.23 crore.

(iv) Entering into a tripartite Memorandum of Understanding between FACT, RCF and Department of Fertilizer for management contract as per directions of BRPSE.

(e) : These proposals are to be submitted for approval of the competent authority in the Government based on their viability.